

Case 2:16-cv-04757-SJF-AYS Document 18-1 Filed 12/08/16 Page 1 of 4 PageID #: 90

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

- against -

CRAIG SCOTT CAPITAL, LLC, CRAIG S.
TADDONIO, and BRENT M. PORGES,

Defendants.

No.: 2:16-cv-4757-SJF-AYS

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D.N.Y.

★ DEC 13 2016 ★

LONG ISLAND OFFICE

**[PROPOSED] DEFAULT JUDGMENT AS TO DEFENDANTS CRAIG
SCOTT CAPITAL, LLC AND BRENT M. PORGES ENFORCING
COMMISSION ORDER PURSUANT TO SECTION 21(e)(1) OF THE
SECURITIES EXCHANGE ACT OF 1934, 15 U.S.C. § 78u(e)(1)**

The Plaintiff Securities and Exchange Commission (the "Commission") having applied to the Court for Judgment pursuant to Section 21(e)(1) of the Securities Exchange Act of 1934 ("Exchange Act") enforcing compliance by the Defendants Craig Scott Capital, LLC ("CSC"), Craig S. Taddonio ("Taddonio"), and Brent M. Porges ("Porges") with a final Commission order entered against them on April 26, 2016 (the "Commission Order"), directing CSC to pay a civil money penalty of \$100,000.00 to the Commission, Taddonio to pay a civil money penalty of \$25,000.00 to the Commission, and Porges to pay a civil money penalty of \$25,000.00 to the Commission, and the Court having severed and administratively closed this action as to Taddonio, and the Clerk having entered a default pursuant to Rule 55(a) of the Federal Rules of Civil Procedure as to CSC and Porges, and it appearing to the Court that a default judgment should be entered against CSC and Porges enforcing the Commission Order, it is therefore:

I.

ORDERED, ADJUDGED, AND DECREED that the Commission Order be and the same is hereby enforced as to CSC and Porges.

II.

FURTHER ORDERED, ADJUDGED, AND DECREED that CSC shall pay to the Commission a civil penalty of \$100,000.00, together with interest pursuant to 31 U.S.C. § 3717 of \$669.17, for a total of \$100,669.17.

Such payment shall be made in one of the following ways:

- (a) By CSC transmitting payment electronically to the Commission, which will provide detailed ACH transfer / Fedwire instructions upon request;
- (b) By direct payment from a bank account via pay.gov through the Commission website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (c) By certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments must be accompanied by a cover letter identifying CSC as defendant in this action, and the name of this Court and the docket number of this action; a copy of the cover letter and check or money order must be sent to John J. Graubard, Securities and Exchange Commission, New York Regional Office, 200 Vesey Street, Room 400, New York, NY 10281-1022. By making such payment CSC relinquishes all legal and equitable right, title, and interest in such funds, and no portion of such funds shall be returned to CSC. Postjudgment interest pursuant to 28 U.S.C. § 1961 shall be due on such amounts. The Commission shall send the funds paid pursuant to this Judgement to the United States Treasury.

III.

FURTHER ORDERED, ADJUDGED, AND DECREED that Porges shall pay to the Commission a civil penalty of \$25,000.00, together with interest pursuant to 31 U.S.C. § 3717 of \$167.17, for a total of \$25,167.17.

Such payment shall be made in one of the following ways:

- (a) By Porges transmitting payment electronically to the Commission, which will provide detailed ACH transfer / Fedwire instructions upon request;
- (b) By direct payment from a bank account via pay.gov through the Commission website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (c) By certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments must be accompanied by a cover letter identifying Porges as defendant in this action, and the name of this Court and the docket number of this action; a copy of the cover letter and check or money order must be sent to John J. Graubard, Securities and Exchange Commission, New York Regional Office, 200 Vesey Street, Room 400, New York, NY 10281-1022. By making such payment Porges relinquishes all legal and equitable right, title, and interest in such funds, and no portion of such funds shall be returned to Porges. Postjudgment interest pursuant to 28 U.S.C. § 1961 shall be due on such amounts. The Commission shall send the funds paid pursuant to this Judgement to the United States Treasury.

IV.

FURTHER ORDERED, ADJUDGED, AND DECREED that if the Defendants CSC and/or Porges do not pay the above amounts within 14 days of the date of the entry of this Judgment the Commission may enforce this Judgment through the remedies available by law to collect the unpaid balance. Such remedies include all collection procedures authorized by the Federal Debt Collection Procedure Act, 28 U.S.C. §§ 3001 -3308 (including the 10% surcharge authorized by 28 U.S.C. § 3015), along with all offset rights pursuant to the Treasury Offset Program.

V.

FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

VI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Judgment as to CSC and Porges forthwith and without further notice.

Dated: Central Islip, New York
December 13, 2016



s/ Sandra J. Feuerstein

UNITED STATES DISTRICT JUDGE